THE UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

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Avista Corporation
The Bonneville Power Administration
Idaho Power Company
The Montana Power Company
Nevada Power Company
Portland General Electric Company
PacifiCorp
Puget Sound Energy, Inc.
Sierra Pacific Power Company.

Docket No. RT01-35-000

MOTION TO INTERVENE OF BARRICK GOLDSTRIKE MINES INC.

Pursuant to provisions of Rule 214 of the Commission's Rules of Practice and Procedure, Barrick Goldstrike Mines Inc. ("Goldstrike") moves the Commission for leave to intervene in this matter and in support thereof states:

- Goldstrike operates an integrated gold mining and processing facility in northeastern Nevada. Goldstrike presently receives electric service as a retail customer of Sierra Pacific Power Company (SPPC) pursuant to the terms of a contract and tariff.
- 2. The State of Nevada enacted statutes providing the opportunity for customers, like Goldstrike, to receive electric service from alternative sellers from and after March 2000 unless the date is extended by the Governor. The Governor has acted to extend the date. Goldstrike believes that the Governor will establish a date enabling Goldstrike and other customers to receive power from alternative sellers. At that point, Goldstrike can become

a transmission customer of SPPC or the successor to its transmission rights. RTO West appears to be that successor.

3. Goldstrike's representatives are as follows:

> Bill Dixon Barrick Goldstrike Mines Inc. P.O. Box 29 Elko, NV 89803

Richie Haddock Barrick Management Corporation University Club Building 136 East South Temple Suite 1050

Parsons Behle & Latimer 201 South Main Street **Suite 1800** Salt Lake City. 84111 Salt Lake City, UT 84111

F. Robert Reeder

- 4. Goldstrike is and has been generally supportive of the development of a broad based, truly independent, regional transmission organization that can overcome pancake rates and facilitate transmission construction to relieve transmission import constraints into Northeastern Nevada.
- 5. Goldstrike has the following concerns with the current filing:
 - Geographical scope. From the filing, Goldstrike wasn't able to gain a clear picture of how the publicly-owned transmission owning entities, like co-ops, in the geographic area encompassed by RTO West, interfaced with RTO West, and are included. Should there be islands in the RTO coverage area.
 - b. The allocation of import rights. The filing proposes the allocation of transmission rights over flow paths through the creation of firm transmission rights (FTR) with additional transmission rights which are recallable or non-firm rights. FTRs and the other transmission rights are to be made available through an auction and are to be tradeable in

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a secondary market. Creating property rights may provide a market for merchants to transact in those rights, but will not build a single new tower or suspend a new conductor. Goldstrike, as only a customer, may not be able to compete with merchants in markets for rights because of the nature of the marketplace. Goldstrike is concerned that creating tradeable rights simply reallocates the existing rights and does not result in the construction of additional facilities to increase the import capacity. It would seem that dollars spent to buy tradeable transportation rights would be better spent on towers and wires that might relieve the congestion, rather than spend to enrich the merchants.

- c. Ancillary Services. Goldstrike believes that customers should have the opportunity to self provide any and all ancillary services that can be technically self-provided. Further, Goldstrike is concerned about the additional cost associated with ancillary services when a multi-party, multi-layered management has the ability to impose costs on all customers by purchasing ancillary services and passing those costs on to all customers.
- d. <u>Existing Contracts</u>. Goldstrike will have access to third party generator resources inside Nevada when the market opens. That access will be through existing transmission rights held by those third parties. The filing does not make clear what happened to those intra Nevada transmission contract rights. Those rights should be preserved.
- e. <u>Pricing Proposals</u>. The filings appear to propose a pricing methodology that will preserve the existing "revenue" of the transmission owners. A complicated scheme is

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proposed in the name of avoiding unacceptable cost shifts. The scheme involves an uplift charge to recover lost revenues and would appear to be a movement away from rather than toward a region-wide cost base transmission rate to facilitate new generation, eliminate a congestion, and eliminate pancaked rates.

WHEREFORE, Goldstrike respectfully requests the Commission to make and enter an Order granting Goldstrike's motion for leave to intervene in this proceeding.

Respectfully submitted

F. RÖBERT REEDER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of November, 2000, I caused to be mailed, first class, postage prepaid, a true and correct copy of the foregoing MOTION TO INTERVENE OF BARRICK GOLDSTRIKE MINE, to:

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